

ATTENDANCE AT NON-PROFIT HOMEOWNERSHIP EDUCATION CLASS LEADS FAMILY TO RD FOR HOUSING ASSISTANCE

Outline of Need

Mr. & Mrs. Roy had been renting for the past 3 years in the Manchester area. While attending a homeownership course being offered by a local non-profit group, they became aware of the 502 Direct loan program. As they listened to the speaker briefly describe the program guidelines including payment assistance, no private mortgage insurance, no down payment requirements, etc. they grew very interested. Due to the challenging housing market in New Hampshire, Mr. & Mrs. Roy knew that receiving payment assistance would greatly assist them in finding affordable housing. They decided to contact the Concord Office to schedule an appointment.

How RD Helped

On August 17, 2005, they applied to Rural Development for a direct loan and began the loan process with Daphne Feeney, RD Specialist. She described the loan process and provided additional program information including detailing payment assistance. The applicants also shared with her how they had been participating in an Individual Development Account (IDA) with the non-profit agency. The IDA account could be used towards homeownership, post-secondary education and/or small business development. The program is a "3 to 1 Match". The minimum amount an individual can save is \$25./month and the maximum is \$100./month. The total amount of money that an individual can save through the life of an IDA account is \$2,000. The non-profit agency will match a total of \$6,000. if the applicant has saved \$2,000 as an example. Daphne explained how by having this account it would greatly assist the applicants in their search for an affordable home. This would enable the applicant's to use more of the loan funds towards purchasing and repairs (if necessary). After obtaining all the necessary verified information, the applicants were given a certificate of eligibility. With their certificate of eligibility, they struck out to find their home of their dreams. On December 30, 2005, the applicants provided an executed purchase & sales agreement on a bank-owned 1446 sq. ft., 3 bedroom, 1.5 bath New Englander style home in Tilton to Daphne. Inspections were completed that showed some repair work needed to be completed including electrical, plumbing, painting, flooring, and additional support posts in basement. They gathered the estimates and the loan was written and closed on February 15, 2006. As the applicant's have been getting the repairs completed they have been able to find contractors that can do the repairs at a more reasonable cost and thus have been able to replace the hot water heater and complete other repairs/improvements to their home.

Result

Each time Daphne has visited with Mr. & Mrs. Roy, she has noticed that the improvements being made as well as their personal touches have made the once vacant New Englander a "home" again. Mr. & Mrs. Roy will be able to enjoy this comfortable home for many years to come.